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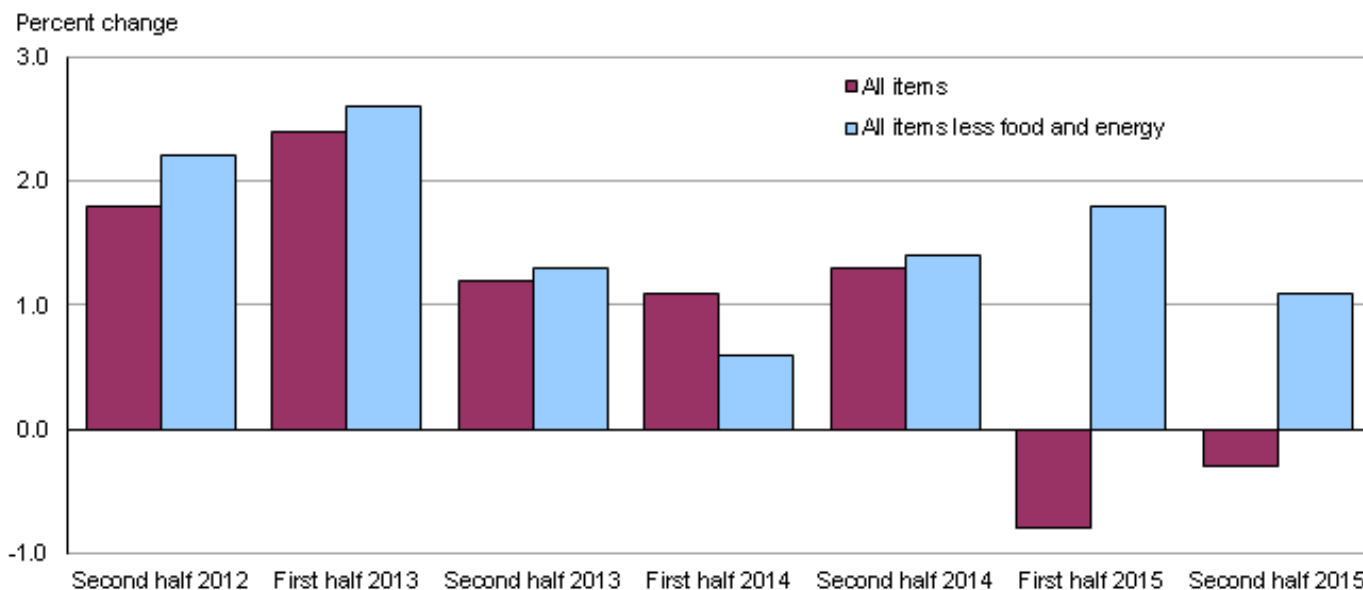
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## Consumer Price Index, Milwaukee-Racine — Second Half 2015

**Local prices down 0.3 percent over the year**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Milwaukee-Racine area declined 0.3 percent from the second half of 2014 to the second half of 2015, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that the all items less food and energy index was 1.1 percent higher compared to its second half 2014 level as price increases were noted in the categories for shelter, recreation, and medical care. Food prices rose 0.8 percent over the year while the index for energy decreased 14.5 percent. (See [chart 1](#).)

**Chart 1. Over-the-year percent change in CPI-U, Milwaukee, second half 2012–second half 2015**



### Food

The 0.8 percent rise in food prices over the year was attributed to both a 0.9 percent increase in costs for food eaten away from home (restaurant, cafeteria, and vending purchases) and a 0.6 percent increase in costs for grocery food items. In the previous annual period (second half 2013 to second half 2014), food prices in the Milwaukee area rose 2.0 percent.

## **Energy**

Gasoline prices were down 21.3 percent from their second half 2014 levels and costs for utility (piped) gas service fell 18.3 percent in the same period, both contributing to the 14.5 percent drop in energy prices over the year. Electricity costs, on-the-other-hand, rose 0.5 percent compared to their second half 2014 levels. In the previous annual period, energy costs were nearly unchanged (-0.1 percent).

## **All items less food and energy**

The 1.1 percent over the year increase in the all items less food and energy index was primarily due to a 2.6 percent annual gain in shelter costs. Recreation (2.1 percent) and medical care (1.1 percent) also experienced increases and contributed to the rise in the all items less food and energy index.

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**The first half 2016 Consumer Price Index for Milwaukee-Racine is scheduled to be released on Friday, July 15, 2016.**

## **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/pdf/homch17.pdf](http://www.bls.gov/opub/hom/pdf/homch17.pdf).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater

volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Milwaukee-Racine, Wis.**, consolidated area covered in this release is comprised of Milwaukee, Ozaukee, Racine, Washington, and Waukesha Counties in Wisconsin.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)**

Item and Group	Semiannual average indexes			Percent change to 2nd half 2015 from-	
	2nd half 2014	1st half 2015	2nd half 2015	2nd half 2014	1st half 2015
<b>Expenditure category</b>					
All Items.....	227.634	226.220	226.984	-0.3	0.3
All items (1967=100).....	703.074	698.704	701.066	-	-
Food and beverages.....	246.447	246.551	248.702	0.9	0.9
Food.....	250.933	251.090	252.964	0.8	0.7
Food at home.....	247.484	246.293	248.995	0.6	1.1
Food away from home.....	257.135	259.030	259.541	0.9	0.2
Alcoholic beverages.....	203.922	203.507	208.358	2.2	2.4
Housing.....	210.342	211.854	213.262	1.4	0.7
Shelter.....	254.004	257.408	260.716	2.6	1.3
Rent of primary residence <sup>(1)</sup> .....	237.544	239.683	241.257	1.6	0.7
Owners' equiv. rent of residences <sup>(1) (2)</sup> .....	270.185	273.591	278.025	2.9	1.6
Owners' equiv. rent of primary residence <sup>(1) (2)</sup> .....	270.185	273.591	278.025	2.9	1.6
Fuels and utilities.....	215.975	212.012	208.419	-3.5	-1.7
Household energy.....	180.209	173.468	169.387	-6.0	-2.4
Energy services <sup>(1)</sup> .....	184.790	178.310	174.593	-5.5	-2.1
Electricity <sup>(1)</sup> .....	215.093	212.489	216.195	0.5	1.7
Utility (piped) gas service <sup>(1)</sup> .....	128.822	118.049	105.286	-18.3	-10.8
Household furnishings and operations.....	97.674	96.797	95.644	-2.1	-1.2
Apparel.....	148.222	143.504	139.638	-5.8	-2.7
Transportation.....	200.973	188.043	187.955	-6.5	0.0
Private transportation.....	194.467	179.949	180.048	-7.4	0.1
Motor fuel.....	286.926	219.746	225.426	-21.4	2.6
Gasoline (all types).....	282.549	216.463	222.241	-21.3	2.7
Gasoline, unleaded regular <sup>(3)</sup> .....	284.403	216.045	219.801	-22.7	1.7
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	301.664	234.862	244.856	-18.8	4.3
Gasoline, unleaded premium <sup>(3)</sup> .....	256.634	203.418	217.561	-15.2	7.0
Medical care.....	483.239	486.551	488.733	1.1	0.4
Recreation <sup>(5)</sup> .....	115.694	116.796	118.172	2.1	1.2
Education and communication <sup>(5)</sup> .....	152.817	154.216	152.723	-0.1	-1.0
Other goods and services.....	384.786	388.370	389.660	1.3	0.3
<b>Commodity and service group</b>					
All Items.....	227.634	226.220	226.984	-0.3	0.3
Commodities.....	184.130	178.022	177.558	-3.6	-0.3
Commodities less food & beverages.....	155.273	146.998	145.558	-6.3	-1.0
Nondurables less food & beverages.....	216.428	199.014	198.575	-8.2	-0.2
Durables.....	100.599	99.847	97.689	-2.9	-2.2
Services.....	269.075	272.379	274.366	2.0	0.7
<b>Special aggregate indexes</b>					
All items less medical care.....	216.403	214.774	215.476	-0.4	0.3
All items less shelter.....	220.025	216.829	216.676	-1.5	-0.1
Commodities less food.....	157.211	149.188	147.960	-5.9	-0.8
Nondurables.....	233.318	223.761	224.515	-3.8	0.3
Nondurables less food.....	215.291	199.124	199.070	-7.5	0.0
Services less rent of shelter <sup>(2)</sup> .....	298.545	301.813	302.343	1.3	0.2
Services less medical care services.....	252.194	255.314	257.310	2.0	0.8
Energy.....	229.022	195.626	195.796	-14.5	0.1

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Semiannual average indexes			Percent change to 2nd half 2015 from-	
	2nd half 2014	1st half 2015	2nd half 2015	2nd half 2014	1st half 2015
All items less energy.....	229.855	231.527	232.358	1.1	0.4
All items less food and energy.....	227.228	229.157	229.819	1.1	0.3

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a November 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

- Data not available.